

# THE *Fats and Oils* SITUATION

BUREAU OF AGRICULTURAL ECONOMICS  
UNITED STATES DEPARTMENT OF AGRICULTURE

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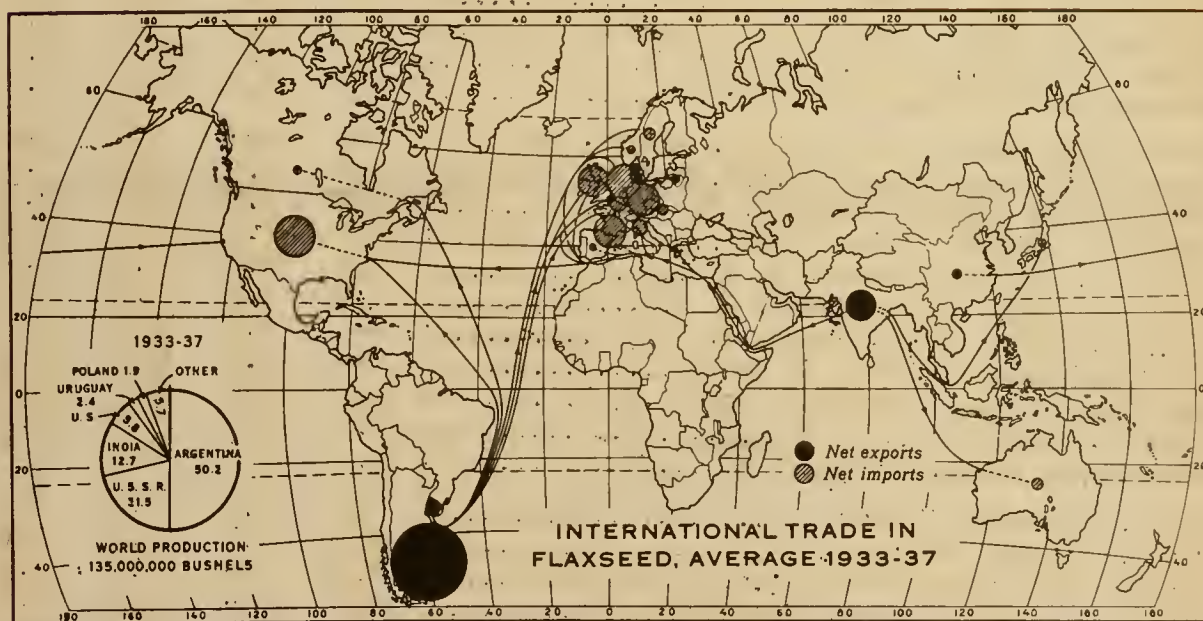
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BUREAU OF AGRICULTURAL ECONOMICS

MOST OF THE FLAXSEED IMPORTED BY THE UNITED STATES ORIGINATES IN ARGENTINA. THIS YEAR CANADA WILL BE ABLE TO EXPORT SOME FLAXSEED. ARGENTINA NORMALLY SHIPS LARGE QUANTITIES OF FLAXSEED TO CONTINENTAL EUROPE, BUT THAT MARKET NOW HAS BEEN CUT OFF. ALTHOUGH THE SOVIET UNION IS THE SECOND LARGEST PRODUCING COUNTRY, IT HAS EXPORTED VERY LITTLE FLAXSEED IN RECENT YEARS.

Table 1.- Price per pound of specified fats, oils, and glycerin,  
October 1939 and 1940, August-October 1941

| Item                                                   | Oct.  |       | 1941  |       |       |
|--------------------------------------------------------|-------|-------|-------|-------|-------|
|                                                        | 1939  | 1940  | Aug.  | Sept. | Oct.  |
|                                                        | Cents | Cents | Cents | Cents | Cents |
| Butter, 92-score, Chicago .....                        | 28.4  | 29.6  | 35.0  | 36.6  | 35.2  |
| Butter, 92-score, New York .....                       | 29.0  | 30.4  | 35.5  | 36.9  | 35.6  |
| Oleomargarine, dom. veg., Chicago .....                | 15.0  | 14.5  | 16.5  | 16.5  | 17.3  |
| Compounds (animal and veg. cooking fats), Chicago ..   | 9.7   | 8.4   | 15.1  | 15.9  | 16.1  |
| Lard, prime steam, tierces, Chicago .....              | 6.6   | 4.7   | 10.1  | 10.7  | 9.8   |
| Lard, refined, cartons, Chicago .....                  | 8.0   | 6.2   | 11.1  | 12.4  | 12.0  |
| Oleo oil, extra, tierces, Chicago .....                | 10.0  | 7.0   | 10.3  | 10.5  | 11.5  |
| Oleostearine, bbl., N. Y. ....                         | 8.9   | 6.1   | 9.8   | 9.8   | 10.2  |
| Tallow, edible, Chicago .....                          | 6.2   | 4.4   | 8.3   | 9.0   | 9.2   |
| Corn oil, crude, tanks, f.o.b. mills .....             | 6.6   | 5.1   | 11.8  | 12.4  | 12.2  |
| Corn oil, refined, bbl., N. Y. ....                    | 9.3   | 7.7   | 14.8  | 15.6  | 15.4  |
| Cottonseed oil, crude, tanks, f.o.b. S.E. mills ..     | 5.8   | 4.4   | 10.9  | 12.2  | 12.2  |
| Cottonseed oil, p.s.y., tank cars, N. Y. ....          | 6.8   | 5.4   | 11.9  | 13.6  | 12.9  |
| Peanut oil, crude, tanks, f.o.b. mills .....           | 6.8   | 4.5   | 11.2  | 12.7  | 12.1  |
| Peanut oil, dom. refined, bbl., N. Y. ....             | 10.5  | 8.0   | 15.0  | 15.8  | 15.9  |
| Soybean oil, crude, tank cars, midwestern mills ..     | 4.9   | 3.9   | 9.5   | 10.5  | 10.4  |
| Soybean oil, dom., crude, drums, N. Y. ....            | 6.8   | 5.5   | 11.8  | 12.1  | 12.0  |
| Soybean oil, refined, drums, N. Y. ....                | 8.4   | 6.9   | 12.3  | 13.2  | 13.2  |
| Babassu oil, tanks, f.o.b. mills, Pacific Coast ..     | ---   | ---   | 9.2   | 9.5   | 9.5   |
| Coconut oil, crude, tanks, f.o.b. Pacific Coast 1/:    | 6.8   | 5.4   | 9.3   | 9.6   | 9.6   |
| Cocconut oil, edible, drums, N. Y. ....                | 9.4   | 7.5   | 13.0  | 13.1  | 13.8  |
| Olive oil, edible, drums, N. Y. ....                   | 30.0  | 38.8  | 73.6  | 71.7  | 72.3  |
| Olive oil, inedible, drums, N. Y. ....                 | 18.5  | 25.3  | 52.3  | 52.3  | 54.4  |
| Olive-oil foots, prime, drums, N. Y. ....              | 10.0  | 9.5   | 17.0  | 17.0  | 17.2  |
| Palm oil, Niger, crude, drums, N. Y. 1/ .....          | ---   | 6.5   | 10.8  | 11.2  | 11.6  |
| Palm oil, Sumatra, tanks, N. Y. 1/ .....               | ---   | 5.2   | 10.2  | 10.7  | 10.8  |
| Rape oil, refined, denatured, drums, N. Y. ....        | 13.5  | 14.8  | 15.6  | 15.6  | 15.4  |
| Rape oil, blown, bbl., N. Y. ....                      | 16.8  | 17.5  | 17.5  | 17.5  | 17.4  |
| Teaseed oil, crude, drums, N. Y. ....                  | 13.5  | 15.6  | 24.0  | 26.2  | 28.0  |
| Tallow, inedible, Chicago .....                        | 5.6   | 3.6   | 7.7   | 8.5   | 8.6   |
| Grease, A white, Chicago .....                         | 5.8   | 3.7   | 7.8   | 8.6   | 8.8   |
| Menhaden oil, crude, tanks, f.o.b. Baltimore .....     | 4.6   | ---   | 7.4   | 7.8   | 8.1   |
| Sardine oil, crude, tanks, Pacific Coast .....         | 4.6   | ---   | 7.7   | 8.0   | 8.2   |
| Whale oil, refined, bleached winter, drums, N. Y. :    | 12.5  | 9.5   | 10.5  | 11.0  | 11.1  |
| Linseed oil, raw, tank cars, Minneapolis .....         | 10.0  | 7.5   | 10.2  | 10.3  | 10.0  |
| Linseed oil, raw, drums, carlots, N. Y. ....           | 10.2  | 8.4   | 11.3  | 11.4  | 10.9  |
| Perilla oil, drums, N. Y. ....                         | 14.5  | 18.1  | 21.4  | 22.6  | 22.8  |
| Onitica oil, drums, N. Y. ....                         | 21.0  | 19.0  | 21.2  | 22.2  | 22.2  |
| Tung oil, drums, N. Y. ....                            | 28.2  | 26.9  | 34.0  | 35.5  | 36.0  |
| Castor oil, No. 3 bbl., N. Y. ....                     | 10.8  | 9.8   | 11.5  | 11.8  | 12.2  |
| Castor oil, dehydrated, drums, carlots, N. Y. ....     | 15.6  | 13.1  | 16.0  | 16.5  | 16.9  |
| Cod-liver oil, med. U.S.P. bbl., N.Y. (dol. per bbl.): | 44.0  | 72.5  | 84.5  | 87.5  | 87.5  |
| Cod oil, Newfoundland, drums, N. Y. ....               | ---   | 8.0   | 10.5  | 10.5  | 10.5  |
| Glycerin, soaplye, 80 percent basis, tanks, N. Y. :    | 7.8   | 7.2   | 13.0  | 16.8  | 16.3  |

Compiled from Oil, Paint and Drug Reporter, The National Provisioner, and reports of the Agricultural Marketing Service and Bureau of Labor Statistics. Prices quoted include excise taxes and duties where applicable.

1/ Three-cent processing tax added to price as originally quoted.

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THE FATS AND OILS SITUATION  
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Summary

The duty on flaxseed and duties and excise taxes on imports of oleo oil and stearine, tallow, neatsfoot oil, and edible sunflower oil have been cut in half under the terms of the new trade agreement with Argentina, effective November 15. Except for flaxseed, the United States normally does not import any of these commodities in appreciable quantities. But with relatively high prices for fats and oils prevailing in the United States, and with demand increasing, imports probably will be stimulated if adequate shipping space is available.

Although the duty on flaxseed was reduced to 32.5 cents per bushel, provision is made in the trade agreement to increase the rate to 50 cents after the present abnormal situation is passed. The duty and excise tax reductions in the case of sunflower oil may be canceled on 6-month's notice after conclusion of the Anglo-German conflict.

The effect of the changes in duties and excise taxes on prices is likely to be obscured by changes in other factors. The price of flaxseed declined fairly sharply in mid-October following announcement of the agreement. But with a Government loan available and with continuing high costs for imports, no further marked decline in flaxseed prices is likely this season.

Reversing the trend of earlier months, prices of most domestic fats and oils declined in early October. Russian military reverses and uncertainty concerning price-control legislation were unsettling factors. Part of the loss was regained later in the month.

The ocean shipping situation has improved in recent months. Imports and exports of fats, oils, and oilseeds in August and September were

materially larger than those of a year earlier. Factory production of fats and oils from domestic materials was nearly 20 percent greater in the third quarter this year than last. But consumption also was increased, and stocks were reduced during the quarter.

-- November 17, 1941

#### REVIEW OF RECENT DEVELOPMENTS

BACKGROUND.-- Largely because of increases in world supplies, prices of most fats and oils had declined to low levels before the outbreak of war in September 1939. Prices of all fats and oils advanced at that time. Most of the gains subsequently were lost, with the declines being especially marked after the closing of important European markets and the cessation of lard imports by the United Kingdom in the spring of 1940.

Reduced shipping space and increased shipping costs early in 1941 restricted the volume of imports and had the effect of driving a wedge between prices in the United States and those in surplus-producing areas. This influence, together with improvement in domestic demand for consumption and storage, and Government lard purchases, resulted in sharp advances in domestic prices of fats and oils during the first half of 1941. Prices leveled off in July and August, but advanced moderately in September.

#### Prices Decline in October

Under the influence of Russian military reverses and continued uncertainty concerning price-control legislation, prices of most domestic fats and oils declined fairly sharply in the first 2 weeks of October. Part of the loss was regained later in the month.

The index of wholesale prices for all fats and oils averaged 93 percent of the 1924-29 level in October, 3 points lower than in September, but 30 points (48 percent) higher than in October 1940. Average prices for lard, butter, and domestic vegetable oils were 1 to 8 percent lower in October than a month earlier. On the other hand, prices for tallow and greases, fish oils, and most imported vegetable oils reached the highest levels for the year to date.

The Argentine trade agreement, announced October 14, was followed by a moderate decline in the price of linseed oil. The duty on flaxseed, effective November 15, is reduced 50 percent under the new agreement, and the duties and excise taxes on imports of edible sunflower oil, oleo oil, oleostearine, tallow, and neatsfoot oil are also cut in half.

Prices received by farmers for flaxseed and soybeans were about 20 cents a bushel lower in mid-October than the prices received a month earlier.

Prices for cottonseed and peanuts, however, continued at relatively high levels, while prices for imported castor beans and copra advanced. The price for soybeans in mid-September was largely nominal, as the quantity of soybeans available for market was negligible at that time. The decline in the price of flaxseed occurred partly as a result of the announcement of the reduced rate of duty under the new trade agreement.

#### Glycerin Price Ceiling Announced

Price Schedule No. 38, announced by the Office of Price Administration October 28, and effective November 10, establishes maximum prices of 11.5 cents per pound for crude glycerin (80 percent glycerol) tank cars, delivered, and 18 cents per pound for refined glycerin, tank cars, delivered. These prices are considerably below those prevailing before the order was announced. In the United States, glycerin is produced mainly from fats and oils as a byproduct in the manufacture of soap. It has a wide variety of uses.

#### Soybean Loan Program Announced

A soybean loan program designed to aid in the orderly marketing of the 1941 crop was announced by the Department of Agriculture on October 21. Loans will be made through the Commodity Credit Corporation at the rate of \$1.05 per bushel for soybeans grading No. 2 or better, stored on farms. The loan program will enable farmers to retain soybeans for marketing at a later time. By providing a flow of soybeans to mills during the year, it is hoped to avoid overcrowding the storage facilities of crushing mills and commercial warehouses. According to the November 1 crop report, approximately 111.3 million bushels of soybeans will be produced this year, 31 million bushels more than in 1940 when storage supplies of other grains were not so large as they are this season.

Loan values for soybeans stored in approved warehouses will be 7 cents per bushel less than for farm-stored soybeans. This difference represents the estimated average of storage charges the Commodity Credit Corporation would be required to pay to warehousemen should the producer fail to pay his note. Loans for farm-stored soybeans will be on a note and chattel mortgage basis, and warehouse loans will be on a note and loan agreement basis with warehouse receipts as collateral. Loans on the 1941 soybean crop will be made until January 31, 1942, and will be available only to farmers cooperating in the Agricultural Adjustment Administration farm program. All notes will mature on demand, or on June 30, 1942, but loans on farm-stored soybeans may be extended for 1 year.

#### Cottonseed Oil Shortening to be Purchased

On October 24, the Department of Agriculture announced plans for the purchase of cottonseed oil shortening for distribution through various programs. The Surplus Marketing Administration recently sent announcements to manufacturers asking them to submit offers of sale.

#### 1942 Marketing Quota for Peanuts Established

A 1942 peanut marketing quota of 1,255,800,000 pounds was proclaimed November 7 by the Secretary of Agriculture, under authority of the

Agricultural Act of 1938, as amended. The marketing quota applies only to peanuts harvested for the edible trade. On the basis of this quota and a normal yield factor of 780 pounds of peanuts per acre, the 1942 acreage allotment will be 1,610,000 acres, the same as that for the 1941 crop. This quota is not subject to a referendum vote, as marketing quotas were approved for each of the 3 years, 1941, 1942, and 1943 in the referendum held on April 26.

In addition to the acreage allotment for peanuts for the edible trade, production goals for 1942 call for approximately 1,900,000 acres of peanuts to be harvested for oil. Growers also are being encouraged to increase the acreage of peanuts to be hogged off. No limitation is placed on the acreage of peanuts harvested for oil or grown for feeding to hogs under the marketing quota and agricultural conservation programs.

Under the marketing quota program, each producer may market peanuts from his allotted acreage to designated agencies at a price for which support is offered by the diversion program of the Surplus Marketing Administration. Excess peanuts may be sold for crushing without penalty to designated agencies at a price determined by the prevailing values of peanut oil and peanut meal, less handling costs.

#### Imports and Exports Increased in August and September

Improvement in the shipping situation resulted in a 34-percent increase in imports of fats, oils, and oilseeds in August this year compared with last. Earlier in 1941, imports had run 10 to 12 percent below last year's levels. But with the marked gain in August, imports for the first 8 months of the year, totaling 1,138 million pounds, were only 6 percent less than the 1,207 million pounds imported in the corresponding period of 1940. The most pronounced gain in imports in August occurred in coconut oil and copra, up 50 percent from a year earlier. Imports of flaxseed, castor beans, palm oil, and inedible tallow also were materially larger in August this year than last. On the other hand, little olive oil or tung oil was imported in August this year.

Exports, chiefly of lard and whale oil, also were materially larger in August than a year earlier. The export total for all items in the first 8 months of 1941 was 359 million pounds, 27 percent more than the 281 million pounds exported in the first 8 months of 1940.

Preliminary indications point to a further gain in imports in September. Lard exports were well maintained in that month, but total exports were somewhat less than in August, when unusual shipments of whale oil were made.

#### Factory Production Larger in Third Quarter Than a Year Earlier

Factory production of fats and oils from domestic materials was about 300 million pounds (19 percent) greater in the third quarter of 1941 than in the third quarter of 1940, when approximately 1,603 million pounds were produced. The most pronounced increases over a year earlier occurred in the

production of linseed oil, inedible tallow and greases, fish oil, cottonseed oil, lard, and butter. Production of vegetable oils from imported materials also was larger than a year earlier, with material gains in output from imported flaxseed and castor beans.

For the first 9 months of 1941, production of fats and oils from domestic materials totaled about 6.0 billion pounds compared with 5.3 billion pounds in the corresponding period of 1940. Production from imported materials was only slightly larger than a year earlier, with increased output of castor oil and linseed oil being nearly offset by reduced production of coconut and babassu oils.

#### Stocks Reduced

Despite the gains in output, factory and warehouse stocks of primary fats and oils on September 30, totaling 1,981 million pounds, were approximately 256 million pounds smaller than on June 30 and 228 million pounds smaller than a year earlier. The most notable reduction occurred in cottonseed oil, stocks of which on September 30, including crude oil and refined oil converted to a crude basis, amounted to 272 million pounds compared with 450 million pounds on September 30, 1940. Stocks of tung oil on September 30 amounted to only 33 million pounds compared with 67 million pounds a year earlier.

#### ARGENTINE TRADE AGREEMENT IN RELATION TO FATS AND OILS

The trade agreement between the United States and Argentina, signed on October 14 and provisionally effective on November 15, provides among other things for a reduction in the United States duty on flaxseed from 65 to 50 cents per bushel, and to 32.5 cents per bushel for the duration of the existing abnormal situation in the flaxseed trade. The temporary reduction to 32.5 cents will terminate 30 days after the President of the United States, following consultation with the Argentine Government, proclaims that the abnormal situation is passed.

The agreement also provides for 50-percent reductions in duties and excise taxes on imports of oleo oil, oleostearine, tallow (edible and inedible), neatsfoot oil, and neatsfoot stock. A 50-percent reduction in the duty and excise tax on imports of sunflower oil also is made, but this concession, along with others contained in schedule III of the agreement, may be withdrawn any time after conclusion of the Anglo-German conflict, provided 6-month's written notice is given to the Argentine Government.

The reductions in duties and taxes on imports of flaxseed and the fats and oils specified will tend to bring about increased imports. Domestic prices for these commodities will tend to be reduced from the levels that would otherwise prevail, but probably not by the full amount of the duty and tax reductions. The "price incidence" of a duty or tax on imports ordinarily is borne in part by the importer and in part by the exporter. Hence a reduction in the duty or tax on imports, other things remaining equal, would result in some decrease in price in the importing country and some increase in price in the exporting country. The extent to which the various duties and taxes have been effective in supporting prices in the United States is

United States: Reductions in duties and excise taxes on imports of flaxseed and specified fats and oils as provided for in the Argentine-United States Trade Agreement, effective November 15, 1941

| Commodity            | Unit     | Rate of duty |                    |     | Unit | Excise tax (in addition to duty) |                    |
|----------------------|----------|--------------|--------------------|-----|------|----------------------------------|--------------------|
|                      |          | Tariff       | Modified           |     |      | Various                          | Modified           |
|                      |          | Act of 1930  | by trade agreement |     |      | Revenue Acts                     | by trade agreement |
| Flaxseed .....       | Bu.      | 65¢          | <u>1/</u> 50¢      | --- | ---  | None                             | ---                |
| Neatsfoot oil .....  | Ad. val. | 20%          | 10%                | Lb. | ---  | 3¢                               | 1.5¢               |
| Neatsfoot stock .... | " "      | 20%          | 10%                | "   | ---  | 3¢                               | 1.5¢               |
| Oleo oil .....       | Lb.      | 1¢           | 0.5¢               | "   | ---  | 3¢                               | 1.5¢               |
| Oleostearine .....   | "        | 1¢           | 0.5¢               | "   | ---  | 3¢                               | 1.5¢               |
| Sunflower oil:       |          |              |                    |     |      |                                  |                    |
| Rendered unfit       |          |              |                    |     |      |                                  |                    |
| for food .....       | ---      | Free         | ---                | --- | ---  | None                             | ---                |
| Other .....          | Ad. val. | 20%          | <u>2/</u> 10%      | Lb. | ---  | 4.5¢                             | <u>2/</u> 2.25¢    |
| Tallow, edible and   |          |              |                    |     |      |                                  |                    |
| inedible .....       | Lb.      | 0.5¢         | 0.25¢              | "   | ---  | 3¢                               | 1.5¢               |

1/ Rate is 32.5 cents for duration of the existing abnormal situation in the flaxseed trade.

2/ May revert to original rate after conclusion of Anglo-German conflict, provided 6-month's written notice is given to the Argentine Government.

not accurately known. In the case of flaxseed, however, it is known that prices have been raised considerably more in the United States as a result of the duty than they have been lowered in Argentina. 1/

Changes in other factors are likely to obscure the effect on prices of the duty and tax reductions under the new trade agreement. And the effectiveness of the reductions may be limited by the abnormal shipping situation, although the shipping situation has been improved in recent months.

The availability of a Government flaxseed loan at a rate of \$1.85 per bushel for No. 1 seed at leading terminal markets and the prevailing high cost of imports will tend to prevent any material decline from the mid-October level in domestic prices for flaxseed. The mid-month price received by farmers for flaxseed averaged about \$1.70 per bushel in July and August and \$1.85 in September. In mid-October the price had declined to \$1.64.

Argentina produces large quantities of flaxseed for export. At present, the important continental European market is closed to Argentine

1/ Cf. Flaxseed Prices and the Tariff. Senate Document No. 62, 76th Congress (81 pp., illus.) United States Government Printing Office, Washington, 1939.

shipments, and this country remains as the principal outlet. The United States normally imports about 15 million bushels of flaxseed a year, although imports have varied during the past 30 years from a low of 5 million bushels in the 1912 marketing year (July-June) to a high of 26 million bushels in the 1936 marketing year. With large supplies now on hand and with a new crop nearly ready for harvest, Argentina probably could furnish 4 to 5 times our normal imports in the current season if imports of that magnitude were desired and if sufficient shipping space were available. And Canada this season has an export surplus of around 3 million bushels of flaxseed which may be imported by the United States at the reduced rate of duty. However, with a crop of nearly 32 million bushels in the United States in 1941, imports of flaxseed during the current marketing season are not likely to be greatly in excess of the average for the past 30 years, despite the high level of domestic consumption now prevailing.

The United States usually does not import any of the fats and oils for which duty and tax reductions have been made in the new trade agreement. During the period of lard shortage, 1935-37, considerable quantities of tallow were imported. But since 1937 tallow imports have been of slight importance. Oleo oil, oleo stock, oleostearine, and neatsfoot oil normally are export products of the United States. In view of the comparatively high domestic prices now prevailing for these commodities, it is possible that imports will come in under the reduced rates. Army requirements for neatsfoot oil, chiefly for leather dressing, are unusually large, and moderately large imports of that commodity may be expected. Neatsfoot oil does not compete to any appreciable extent with other fats and oils produced in the United States.

Imports of edible sunflower oil were practically nonexistent during the period when the excise tax of 4.5 cents per pound was in effect. The duty of 10 percent ad valorem plus the tax of 2.25 cents per pound under the new trade agreement is still fairly high, but some sunflower oil may be brought in. Production of sunflower oil in Argentina has been materially increased in recent years; practically all of this oil has been used to meet Argentine requirements. It is particularly useful in Argentina now as a substitute for olive oil, which is in short supply.

Table 2.- Wholesale prices of fats and oils: Index numbers, October 1939 and 1940, August-October 1941

| Group                                        | (1924-29 = 100) |           | 1941 |       |      |
|----------------------------------------------|-----------------|-----------|------|-------|------|
|                                              | Oct. 1939       | Oct. 1940 | Aug. | Sept. | Oct. |
| Eight domestic fats and oils <u>1/</u> ..... | 88              | 82        | 117  | 124   | 119  |
| Eight domestic fats and oils .....           | 62              | 58        | 83   | 88    | 84   |
| All fats and oils (27 items) .....           | 67              | 63        | 91   | 96    | 93   |
| <u>Grouped by origin:</u>                    |                 |           |      |       |      |
| Animal fats .....                            | 63              | 60        | 80   | 84    | 81   |
| Marine animal oils .....                     | 83              | 86        | 114  | 117   | 120  |
| Vegetable oils, domestic .....               | 70              | 56        | 110  | 122   | 116  |
| Vegetable oils, foreign .....                | 92              | 88        | 141  | 142   | 144  |
| <u>Grouped by use</u>                        |                 |           |      |       |      |
| Butter .....                                 | 65              | 67        | 80   | 83    | 80   |
| Butter, adjusted <u>2/</u> .....             | 62              | 65        | 82   | 82    | 77   |
| Lard .....                                   | 50              | 35        | 77   | 82    | 75   |
| Food fats, other .....                       | 71              | 62        | 125  | 135   | 133  |
| Soap fats .....                              | 73              | 57        | 108  | 116   | 118  |
| Drying oils .....                            | 100             | 86        | 113  | 116   | 113  |
| Miscellaneous oils .....                     | 86              | 86        | 102  | 103   | 105  |

1/ 1910-14 = 100.2/ Adjusted for typical seasonal variation.

Table 3.- Prices of specified oil-bearing materials, October 1939 and 1940, August-October 1941

| Item                                                | Unit      | Oct.    |         | 1941    |         |         |
|-----------------------------------------------------|-----------|---------|---------|---------|---------|---------|
|                                                     |           | 1939    | 1940    | Aug.    | Sept.   | Oct.    |
|                                                     |           | Dollars | Dollars | Dollars | Dollars | Dollars |
| Castor beans, Brazilian, ship't., c. & f., New York | Long ton  | ---     | 51.00   | 68.40   | 68.00   | 75.90   |
| Copra, bags, f.o.b. Pacific Coast .....             | 100 lb.   | 2.32    | 1.42    | 3.98    | 4.06    | 4.15    |
| Cottonseed, U.S. farm price                         | Short ton | 22.88   | 21.55   | 36.94   | 49.83   | 50.89   |
| Flaxseed, No. 1, Minneapolis .....                  | Bu.       | 1.86    | 1.47    | 1.89    | 1.99    | 1.87    |
| Flaxseed, U.S. farm price ..                        | "         | 1.63    | 1.27    | 1.68    | 1.85    | 1.64    |
| Peanuts, shelled, Runners No. 1, S.E. mills         | 100 lb.   | 5.38    | 4.75    | 6.95    | 7.00    | 7.15    |
| Peanuts, U.S. farm price ...                        | " "       | 3.36    | 3.26    | 4.29    | 4.49    | 4.41    |
| Soybeans, No. 2 Yellow, Chicago .....               | Bu.       | .87     | .83     | 1.57    | 1.83    | 1.58    |
| Soybeans, U.S. farm price ..                        | "         | .73     | .67     | 1.29    | 1.61    | 1.42    |

Compiled from Oil, Paint and Drug Reporter, Daily Trade Bulletin (Chicago), Daily Market Record (Minneapolis), and reports of the Agricultural Marketing Service.

Table 4.- Price per ton of specified oilseed meals,  
October 1939 and 1940, August-October 1941

| Item 1/                       | October |         | 1941    |           |         |
|-------------------------------|---------|---------|---------|-----------|---------|
|                               | 1939    | 1940    | August  | September | October |
|                               | Dollars | Dollars | Dollars | Dollars   | Dollars |
| Copra meal, Los Angeles ..... | 30.65   | 20.50   | 37.50   | 39.60     | 38.55   |
| Cottonseed meal, 41 percent   |         |         |         |           |         |
| protein, Memphis .....        | 25.25   | 25.05   | 34.45   | 39.75     | 36.00   |
| Cottonseed meal, 41 percent   |         |         |         |           |         |
| protein, Chicago .....        | 31.40   | 30.60   | 40.25   | 45.65     | 41.45   |
| Linseed meal, 37 percent      |         |         |         |           |         |
| protein, Minneapolis .....    | 33.10   | 25.10   | 33.50   | 39.00     | 37.50   |
| Linseed meal, 34 percent      |         |         |         |           |         |
| protein, New York .....       | 37.00   | 25.45   | 28.10   | 33.20     | 31.25   |
| Peanut meal, 45 percent       |         |         |         |           |         |
| protein, f.o.b.southeastern   |         |         |         |           |         |
| mills .....                   | 30.25   | 21.05   | 32.94   | 38.55     | 34.00   |
| Soybean meal, 41 percent      |         |         |         |           |         |
| protein, Chicago .....        | 28.30   | 25.30   | 36.20   | 41.40     | 37.95   |

Compiled from records of the Agricultural Marketing Service.

1/ Bagged, carlots, except peanut meal.

Table 5.- Production and stocks of butter, lard, rendered pork fat, cottonseed oil, and peanut oil, September 1939 and 1940, July-September 1941

| Item                            | Sept.    |          | 1941     |          |          |
|---------------------------------|----------|----------|----------|----------|----------|
|                                 | 1939     | 1940     | July     | Aug.     | Sept. 1/ |
|                                 | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. |
| <u>Production</u>               |          |          |          |          |          |
| Creamery butter .....           | 133.8    | 146.2    | 196.7    | 171.3    | 149.7    |
| Lard, under Federal inspection: | 85.3     | 84.3     | 95.8     | 87.0     | 81.6     |
| Rendered pork fat 2/ .....      | ---      | ---      | 12.6     | 11.0     | 10.6     |
| Cottonseed oil, crude .....     | 161.2    | 111.4    | 26.2     | 33.8     | 129.5    |
| Peanut oil, crude .....         | .7       | 1.5      | 4.3      | 1.9      | 1.1      |
| <u>Stocks, end of month</u>     |          |          |          |          |          |
| Butter .....                    | 154.5    | 128.1    | 178.5    | 200.2    | 203.0    |
| Lard .....                      | 78.8     | 235.7    | 332.9    | 282.7    | 214.3    |
| Rendered pork fat 2/ .....      | ---      | ---      | 7.4      | 5.4      | 3.7      |
| Cottonseed oil, crude basis 3/: | 552.0    | 453.7    | 343.4    | 284.0    | 271.8    |
| Peanut oil, crude basis 3/ ...: | 30.4     | 13.0     | ---      | ---      | 33.9     |

Compiled as follows:

Production of creamery butter and peanut oil, and cold-storage holdings of butter, lard and rendered pork fat, Agricultural Marketing Service.

Production under Federal inspection of lard and rendered pork fat, Bureau of Animal Industry.

Factory production and stocks of cottonseed oil, and stocks of peanut oil, Bureau of the Census.

1/ Preliminary.

2/ Included with lard prior to November 1940.

3/ Crude plus refined converted to crude basis by dividing by the following factors: Cottonseed oil, 0.93; peanut oil, 0.94.



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Table 6.- Oleomargarine: Production and materials used in manufacture,  
United States, September 1939 and 1940, July-September 1941

| Item                           | September |           | 1941 1/   |           |           |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|
|                                | 1939      | 1940      | July      | August    | September |
|                                | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. |
| Production:                    |           |           |           |           |           |
| Colored .....                  | 108       | 214       | 280       | 252       | 257       |
| Uncolored .....                | 27,999    | 26,328    | 27,085    | 24,551    | 32,868    |
| Total 2/ .....                 | 28,107    | 26,542    | 27,365    | 24,803    | 33,124    |
| Materials used:                |           |           |           |           |           |
| Oleo oil .....                 | 862       | 1,240     | 1,305     | 1,241     | 1,795     |
| Oleostearine .....             | 329       | 282       | 237       | 162       | 356       |
| Lard neutral .....             | 115       | 426       | 651       | 538       | 544       |
| Oleo stock .....               | 65        | 95        | 140       | 132       | 220       |
| Monostearine .....             | ---       | 18        | 12        | 10        | 15        |
| Oleostearine oil .....         | ---       | ---       | ---       | ---       | 131       |
| Total, animal .....            | 1,371     | 2,061     | 2,345     | 2,083     | 3,061     |
| Cottonseed oil .....           | 9,034     | 9,956     | 11,413    | 10,131    | 12,524    |
| Soybean oil .....              | 7,371     | 7,605     | 4,912     | 4,002     | 5,847     |
| Peanut oil .....               | 258       | 153       | 221       | 183       | 181       |
| Corn oil .....                 | 35        | 1         | 55        | 43        | 43        |
| Cottonseed stearine .....      | 10        | ---       | ---       | ---       | ---       |
| Soybean stearine .....         | ---       | ---       | 1         | ---       | 1         |
| Total, domestic vegetable :    | 16,708    | 17,715    | 16,602    | 14,359    | 18,596    |
| Coconut oil .....              | 5,113     | 1,142     | 2,474     | 2,421     | 3,574     |
| Babassu oil .....              | 1,408     | 331       | ---       | ---       | 290       |
| Palm oil .....                 | ---       | ---       | 667       | 847       | 905       |
| Palm-kernel oil .....          | ---       | ---       | ---       | 285       | 499       |
| Palm stearine .....            | ---       | ---       | 28        | ---       | ---       |
| Total, foreign vegetable ..... | 4,522     | 1,473     | 3,169     | 3,553     | 5,268     |
| Total fats and oils .....      | 22,601    | 21,249    | 22,116    | 19,995    | 26,925    |
| Milk .....                     | 5,297     | 5,118     | 4,919     | 4,582     | 6,044     |
| Salt and other miscellaneous:  | 1,281     | 1,112     | 1,026     | 932       | 1,246     |

Compiled from Internal Revenue records and Internal Revenue Bulletin.

1/ Preliminary.

2/ Total of unrounded numbers.